TRANSWESTERN PIPELINE COMPANY

AN ENERGY TRANSFER COMPANY

Summer Preparedness Update Arizona Corporation Commission

April 28, 2016

ENERGY TRANSFE

ENERGY TRANSFER INTERSTATE ASSETS

	Miles of Pipeline	Capacity (Bcf/d)	Owned Storage	Ownership
PEPL	6,000	2.8	55.1	100%
TGC	2,230	1.0	13	100%
TW	2,600	2.0		100%
FGT	5,400	3.1		50%
SR	1,000	2.3		100%
FEP	185	2.0		50%
Tiger	195	2.4		100%
MEP	500	1.8		50%
Gulf States	10	0.2		100%

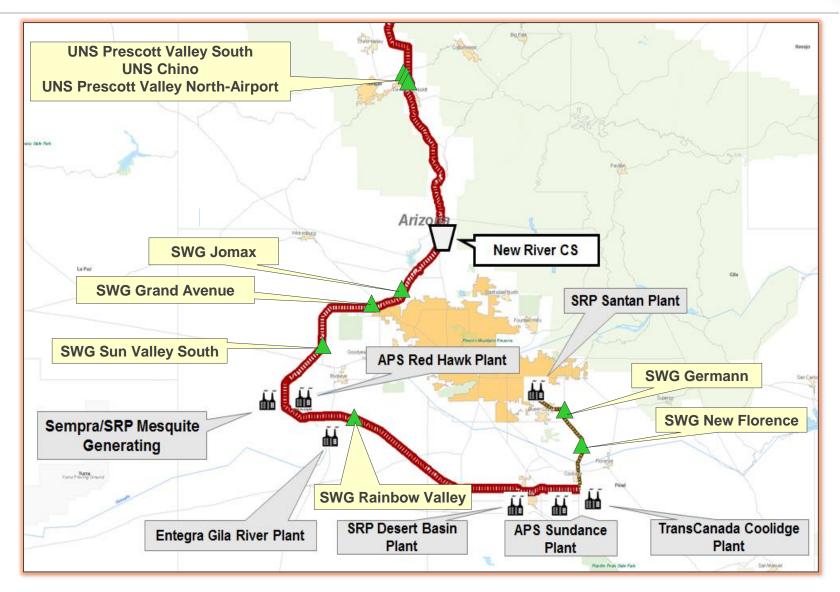


The system consists of approximately 2,600 miles of large diameter pipeline ~ 2.0 Bcf/d delivery capacity ~ Multiple supply basins **Mainline West** San Juan Lateral 1,240 ~ Bi-directional Capability 1,610 Mainline East Thore 450 **Phoenix** ~ 344,000 horsepower Topock 750 (NV) Lateral Lateral Panhandle 125 (E) 660 ~ 245 delivery points Lateral 250 (W) 273 (E) West Texas Lateral 500 (N) 480 (S) Capacity in MMcf/day

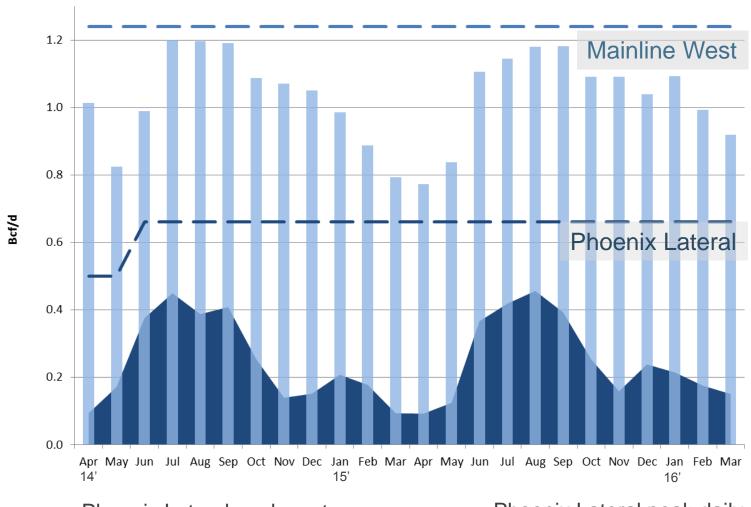
TRANSWESTERN PIPELINE SYSTEM OVERVIEW

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TRANSWESTERN'S PHOENIX LATERAL



WEST AND PHOENIX DELIVERIES



- Phoenix Lateral peak spot
 - o 2014: 852 MMcf/d
 - o 2015: 754 MMcf/d

- Phoenix Lateral peak daily
 - o 2014: 540 MMcf/d
 - o 2015: 528 MMcf/d

SPRING 2016 MAINTENANCE

• Semi-Annual Maintenance (Complete)

- Western Mainline
 - Compressor Stations 1, 2, 3 & 4
 - ILI Pig Run (Station 5 to 4)
- San Juan Lateral
 - ILI Pig Run (Bloomfield Bisti)
- No impact to shippers

Phoenix Lateral (Complete)

- Routine meter station maintenance
- Coordinated with Operator
 - APS Red Hawk
 - Gila River
 - SRP Mesquite
 - Arclight Mesquite
 - EPNG East Valley Interconnect
 - APS Sundance
 - TransCanada Coolidge
 - SRP Desert Basin





SPRING 2016 MAINTENANCE (CONTINUED)

Annual Maintenance

- San Juan Lateral
 - May 17-18: Gallup CS
 - May 3-5: Bloomfield CS
 - June 7-8: La Plata CS





WINTER PREPAREDNESS

- Local and Offsite Business Continuity Plan (BCP) Facilities tested and ready
 - Gas Control
 - Scheduling & Contracts
 - Gas control support staff
- EBB Notifications -- http://twtransfer.energytransfer.com
- Critical notices posted and emailed to operators and shippers
- 24 Hour Emergency hotline phone number (866) 999-8975
- Public Affairs media phone number (214) 599-8755

2014 RATE CASE – RATE AND SERVICE CHANGES

- Filed rate case at FERC on October 1, 2014 as required by last rate settlement
- Settlement reached; filed at FERC on June 22, 2015
- Settlement approved by FERC order on October 15, 2015
- Settlement rates implemented September 1, 2015
- New Services
 - FTS-3
 - Hourly Peaking Service (HPS)
- Operational/Tariff Changes
 - Alert Days
 - Scheduling Priorities
 - Reservation Charge Crediting
 - Flow Control Provision

NOMINATIONS & SCHEDULING CHANGES

- North American Energy Standards Board (NAESB) promulgated new and revised standards (Version 3.0) governing coordination of the scheduling processes of interstate natural gas pipelines and public utilities
- FERC incorporated these and previous changes in its regulations in Order No. 809 to be implemented on <u>April 1, 2016</u>
- Major changes:
 - Timely nomination deadline will move from 11:30 AM to 1:00 PM
 - A new grid-wide Intraday 3 cycle will provide an additional opportunity for nomination and capacity release transactions
 - Capacity release timelines will change to provide the opportunity to acquire capacity prior to the revised nomination deadlines:

NOMINATIONS & SCHEDULING CHANGES

Nomination Cycle	Nomination Deadline (CCT)	Scheduled Quantities	Time of Gas Flow	Bumping of IT
Timely	1:00 PM	5:00 PM	9:00 AM	N/A
Evening	6:00 PM	9:00 PM	9:00 AM	Yes
Intra Day 1	10:00 AM	1:00 PM	2:00 PM	Yes
Intra Day 2	2:30 PM	5:30 PM	6:00 PM	Yes
Intra Day 3	7:00 PM	10:00 PM	10:00 PM	No

CONCLUSION

Transwestern has added services to increase flexibility

Nomination & scheduling changes established

Majority of Spring Maintenance complete

Local and Offsite BCP facilities tested and ready

Transwestern continues to provide Phoenix with reliable service

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